

27 APR 1973

MEMORANDUM FOR: Office of General Counsel

SUBJECT : Medical Expenses for Dependents

1. On 21 September 1956, the Acting Director of Central Intelligence adopted the provisions of the overseas dependent medical care program of the Department of State.

2. In substance the program granted the Department of State and adopted by this Agency provides for the payment of medical expenses of a dependent of a United States citizen, officer, or employee who is stationed abroad, arising out of an illness or injury which occurs while subject dependent is located abroad and which requires hospitalization or similar treatment which is not a result of vicious habits, intemperance, or misconduct on the part of the dependent. The program covers the cost of treatment which exceeds \$35 up to a maximum limitation of 120 days of treatment, except in those instances where, on the basis of professional medical advice, it shall be determined that such illness or injury clearly was caused by the fact that subject dependent was located abroad.

3. The station where the employee is assigned may advance the cost of dependent treatment which exceeds \$35. However, many stations advance the total cost and transfer the advance to Headquarters. 25X1A

4. If the employee is covered by [redacted] the Insurance Branch reimburses the employee for the \$35. If the station has advanced the employee the \$35, the employee is required to liquidate the advance. K1A

5. The Audit Staff has suggested that instead of the Insurance Branch reimbursing the employee the \$35, that the reimbursement be made to the Office of Finance for the purpose

OGC Has Reviewed

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of liquidating the advance at Headquarters. If this procedure is followed, the Overseas Medical Program would for an instance in time authorize payment of all allowable dependent medical expenses. Then, the Insurance Branch would be advised to forward a check for \$35 to the Office of Finance to reimburse the Overseas Medical account.

6. Utilizing the above procedure would obviate the Insurance Branch from transmitting reimbursement to the employee in the field. We view this proposal as a practical method to reduce overseas administrative dispatch traffic. Our question is whether or not the short-term advance of \$35 from the Overseas Medical Program fund can be legally rationalized as a practical procedure.

7. We request your opinion.



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Chief, Benefits and Services Division
Office of Personnel

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NOTE ATTACHED TO OGC 73-0738 (MEMORANDUM FOR OFFICE OF GENERAL COUNCIL)